POST-CABINET PRESS CONFERENCE: MONDAY, 5 OCTOBER 2020 HANSARD TRANSCRIPT

PM: Kia ora koutou katoa. Good afternoon, everyone. Good afternoon to you all from Christchurch. Cabinet met via Zoom today to review Auckland's COVID-19 alert level. The Auckland cluster became New Zealand's biggest ever, with 179 cases attached to it; however, it is one that all signs point to now being under control. There have been no new cases within that cluster for 10 days, only one case in the past two weeks, and only five people from the cluster are yet to recover. According to research undertaken by Te Pūnaha Matatini, there is now a 95 percent probability of the cluster being eliminated. A recent group of six cases linked to the border from a person who completed managed isolation and had a negative day-three and day-12 test has highlighted how cases can be rapidly identified, traced, tested, and contained without any change to alert levels or the restrictions that go with that. It has now been 12 days since a confirmed case associated with this cluster, with only one person who still has the virus, and we are confident it too has been contained.

Much was at stake with this resurgence of COVID. Second waves around the world have led to more deaths and illnesses and ongoing economic restrictions that have placed lives and livelihoods at risk. It was a test of our plan. Just as our team came together to deliver a world-leading response to the first wave of COVID, we did so again with the second, I know for many this one has felt harder, especially for Aucklanders. It was more fragmented, with different parts of the country at different levels, and it felt longer and dragged on in what was already starting to feel like a very long year. But, despite that, Aucklanders and New Zealanders stuck to the plan that has worked twice now and beat the virus again. Our team of 5 million—a little more battle weary this time—did what national teams do so often: we put our heads down and we got on with it. You only have to look around the world to see the alternative to our approach here in New Zealand. Cases continue to surge, with the World Health Organization reporting almost 35 million cases and over a million deaths worldwide. The UK reported over 12,000 new cases on Saturday and has placed limits on gatherings of no more than six in order to halt their most recent spread. All workers who can work from home have been encouraged to do so through their winter, which takes them through to the end of the year and beyond, and that is the case in many other parts of Europe also.

These measures have largely been absent in New Zealand for some weeks now. Even under alert level 3, the Treasury estimated economic activity was at 80 to 85 percent of what is usual and, in recent weeks at level 2, have revised the number up to 90 to 94 percent of normal activity. We've seen the strength of our economy in recent weeks through jobs, exports, building consents, and traffic updates. More than 9,000 filled jobs were added across the country in August. Our merchandise exports rose nearly 9 percent over the month, driven by our farmers and growers delivering dairy, kiwifruit, and meat to the world. Annual building consents remained near record highs in August, which means developers have the confidence to invest and get on with their work. Traffic movements and card spending analysed by the Treasury shows that, when Auckland went to 2.5, activity in the rest of New Zealand and the Auckland region as a whole returned to what was previously seen under level 1. However, I know that recent months have been challenging for many Auckland businesses, especially those in hospitality, retail, tourism, and the arts, but when we quickly stamp this virus out, our economy is able to return close to normal quicker.

The Oxford University COVID tracker continues to position us favourably compared to the likes of the US, the UK, Australia, Japan, and Canada when it comes to how stringent our restrictions are. At levels 2 and 1, New Zealand is one of the most open countries and economies in the world. We're one of the few where you can gather in any numbers you

like, go to work with limited or no restrictions, and watch sport in full stadiums, like we will this Sunday in the Bledisloe Cup opener. So, on the basis of the success and effectiveness of our elimination strategy, and on the advice of the Director-General of Health, Cabinet has confirmed that Auckland will join the rest of New Zealand at alert level 1 from 11.59 p.m. this Wednesday, 7 October.

As we come together again as a country in level 1, we can let ourselves once again feel pride that we managed to get to that position together. COVID will be with us for many months to come, but we should still mark these milestones. But, as is ever, my responsibility is also to forewarn. Resurgence of the virus is not our only worry—resurgence of complacency is right up there too. Daily use of the COVID Tracer app has halved from a peak of 2 million scans to 1 million in the past week. Given that there are 3.9 million New Zealanders aged over 18 years old, at most that means only a quarter are scanning every day. In real life, that complacency means that, in the event of a future outbreak, we may not be able to contact you as quickly, get you tested or into isolation, and, as a result, we could possibly see the virus spread further, faster. At level 1, it is still a requirement that businesses display the QR codes; so, please, do keep checking in.

The other area we can't become complacent on is testing. Recent modelling shows us that, if we test 35 percent of people with COVID-like symptoms, then any new community outbreak would likely be a small one, limited to fewer than 50 cases. The low rates of testing back in July, when we were enjoying the freedoms of level 1, could well have been part of the reason we didn't pick up the outbreak sooner. We all want to avoid more restrictions. Our public health systems are getting stronger all the time, but to stay at level 1 relies on all of us continuing to be vigilant and playing our part. Whenever you are in New Zealand, keep using the app. Scan in everywhere you go, and remind the people you are with to do the same. If you are even slightly unwell, stay home, ring Healthline, and get a test. Avoiding another outbreak depends on each and every one of us, and we all have a role to play.

Over the past couple of weeks, I've travelled the country. Everywhere I go, COVID is at the top of people's minds. Almost without exception, people are proud of our collective achievements in eliminating the virus, grateful for the wage subsidy that has sustained jobs, and looking forward to the economic opportunities now available to us off the back of our COVID success. We are talking to Australia about the travel bubble, and we're looking to join this arrangement as soon as it proves itself safe to do so. My message to New Zealanders remains the same as it always has been, though: we are in a good position because we went hard and we went early. We have a plan to continue responding to COVID-19, and we will apply the same rigor to our economic recovery as we did to our world-leading health response. Every test of our plan, of our systems, makes us stronger, better, more resilient to a virus that will be with the world for some time to come. Happy to take your questions.

Media: Did you consider having a special Cabinet meeting on Friday so that you could move Auckland to level 1 today instead of having to wait until Wednesday?

PM: No, at the time that Cabinet made that decision, it was about seeing through that additional cycle of the virus, which takes us through to Wednesday as well, but also, of course, about gazetting. So that wasn't—we didn't want to make that in-principle decision. We wanted, again, to have all that data. It also allowed us the benefit of having the 12-day test result from that more recent outbreak as well.

Media: Prime Minister, are there any new requirements around masks? Do people still have to wear them on public transport?

PM: Of course, the public transport orders relate to level 2, but what I would encourage people to consider is ongoing use of all of the tools that we've learnt along the way that make a difference to people. So, scanning QR codes—please continue to scan into everywhere that you visit. If you're having a social gathering, make a note of the people that you are with. Wash your hands, and definitely—without question—stay home if you are

sick and get a test. Those are the really critical measures at level 1. We do want to create a culture of people being willing to use masks, but we haven't got an order for them at level 1.

Media: Air New Zealand has obviously been continuing to have masks; so is your expectation that they will just continue to do that, and it's a decision for them?

PM: Yes, absolutely a decision for them. You'll see that they've continued to do so through this more recent period, where it's only been a requirement for travel in and out of Auckland—but absolutely a matter for them. I can see why they would make that decision; it of course adds to a bit of resilience in their network as well.

Media: Is that encouraged by Dr Ashley Bloomfield, and what was the advice around mask wearing?

PM: I would need to—for Air New Zealand specifically?

Media: And just generally.

PM: No. So the recommendation from the director-general was QR code use, testing, and staying home if you're sick, and, of course, the public health messaging around washing hands. Those continue to be the primary focus, but particularly the testing—I can't put enough emphasis on that. We know from Flu Tracker that people are still experiencing cold and flu symptoms. We need those people to get tested. That helps us get in front of the virus and any potential spread of it, the sooner we can detect it in people, but we really require people to get tested. I don't want anyone to think, because we're at level 1, that now means that COVID is absolutely absent from New Zealand. It means there's no sign of it currently, but we need to keep up that vigilance around testing.

Media: Do you want to see no community cases in Australia for 28 days before Aussies can come here?

PM: Well, you see, actually, that's even the criteria that Queensland is using for opening up borders to New South Wales; so we're not alone in having that criteria. Twenty-eight days is obviously a bit of a benchmark that other countries use, as well as New Zealand, to demonstrate that it would be safe or have less risk. That's not the only thing we'll be looking for. You'll see over the weekend a case reported of someone who travelled in on a trans-Tasman flight. They were coming from the UK but were on that leg of an Australia - New Zealand flight, and they've tested positive. It just demonstrates how important it is to have completely separate transit flights between Australia and New Zealand and other countries.

Media: Given that Aucklanders obviously are living in and around managed isolation facilities—quarantine border workers in the community—should they be any more vigilant than the rest of New Zealand?

PM: Those who are working at border—particularly for—we, of course, have protocols for those who are working at the border. So, maritime: there are strict protocols around those who are coming in from overseas and are on vessels that haven't been at sea for long periods of time. They are monitored by Customs to make sure they're not coming off their vessels. So we do have very strict protocols in those high-risk areas, including for those who may come into contact with those who are from high-risk areas. But, yes, there are extra things we ask of our staff at MIQ—for instance, even guidelines around when they return home and washing the clothes they've worn that day, contact with family members when they first come home. So those kinds of messages are specific to those workers.

Media: For the communities that they're living in, presumably they are at a higher risk still, aren't they? They're the areas that people should be more worried about?

PM: Well, again, for those workers we apply extra rigor around, of course, PPE use, testing of those workers, and guidance around what they can do to keep themselves and their family members safe, and, of course, the testing is part of that as well. But, again, keeping in mind, this first outbreak, we have still not been able to ascertain its origin. Many

countries who have had resurgence, the likes of Germany, have not been able to ascertain its origin. Vietnam hasn't been able to ascertain. So, from the small examples we've seen recently—you know, the use of rubbish bins or a lift—you can see how easy it can be to come into contact, which is why general testing across the country, we are asking people to maintain that. Do not assume that anywhere—that, because you live outside of a centre, we don't want you to be tested—we do.

Media: How confident are you that there is no community transmission in New Zealand?

PM: Well, at the moment, from the experts, they're saying 95 percent confidence, but, again, with smaller clusters, it's sometimes harder to be able to model. But you can see high confidence, and that's the reason we're moving. We only do that when the experts and the evidence say we can have a level of confidence to move to level 1.

Media: And do you think that at mass gatherings like the rugby, for example—do you think, at those kinds of mass gatherings, people should be wearing masks?

PM: People should make choices for themselves on this. You know, I do want to build a culture where we encourage people to look after one another and keep each other safe, and so, while there isn't an order there in place, people should feel free to take whatever precautions they think make them feel more comfortable being in large environments. We definitely want people scanning, we want people taking note of where they are sitting, we want people washing their hands, and we definitely do not want you to attend if you are unwell. These are your acts of public service now.

Media: You say you've been approached quite a lot on the campaign trail about how proud New Zealanders are of their response to COVID-19. We've heard a lot of people come up to you and thank you personally. Do you think that that feeling of pride is now linked to you, and how's that helping your campaign?

PM: You'd have to ask members of the public that question, rather than me. What I do think that we cannot take for granted—that what we did in New Zealand is what anyone would've done or what any country would've done. No, we made choices as a Government to adopt this plan, and New Zealanders supported it. That is what's made the difference. Frankly, I have seen positions, however, from the Opposition that suggest to me that they may not have chosen that path, and so I would say that we shouldn't put our progress at risk, because borders, for instance, remain critical, and some of the proposals I've seen around the borders, frankly, I think would be risky.

Media: What do you think about the 15-minute, I think it is, antibody test that's been getting some publicity, and do you think that will be a game changer in containing future outbreaks [Inaudible]

PM: There has been progress around alternative testing methods, whether it's high turnaround time or ease of collection—so, spit testing for instance. Work is being done in New Zealand around alternative testing methods. Something really important to keep in mind, though: New Zealand is looking for the same sensitivity and reliability for new testing options that we currently have. Many countries are looking for a form of screening and surveillance. We require very sensitive testing, because of our strategy. We can't afford to let one positive result through the net, and so that does mean that we've got a different standard than others might. Work has been done on whether or not we can get that level of sensitivity for some of the testing that's available. That's being done by ESR as we speak, particularly around spit testing.

Media: But you wouldn't really want that to replace the [Inaudible]

PM: It could well. We just need the same sensitivity as those testing. There's some calibration going on at the moment around the spit testing. So I expect it will be available in New Zealand, but we've got to make sure that it has the same reliability as what we're using at the moment. Particularly, it will be useful for the border testing.

Media: Prime Minister, are you religious? Do you still believe in God?

PM: I consider myself agnostic, as many of you will know, because I've spoken openly about it. I was raised in a religious household. I've always been proud of my upbringing, but I now consider myself agnostic.

Media: Do you think religion has been politicised during this election campaign?

PM: You know, I've never got into the habit of commenting on other people's personal beliefs, and I don't intend to start now.

Media: Did you see the National Party's housing policy, and what do you make of that?

PM: Yes, I have seen it, and I think, frankly, it would take us back to the 1990s. And by that I mean I think it would take us back, away from delivering housing for first-home buyers, away from increasing public housing numbers. To suggest as an answer to the housing troubles that New Zealand has experienced that we should sell off State houses, I think, is absolutely wrong.

Media: What do you think of the idea of relaxing, or not relaxing but broadening consenting requirements—sort of flattening consenting requirements, allowing central government to open up consenting and opening up land for residential property development? Do you think that would probably bring on more supply?

PM: Well, the first thing I would say is that, of course, we initiated significant work on the RMA when we came into Government, recognising that work was required there, and that's now what you're seeing us talk about this election campaign. The second thing we've done is fast-track consenting as part of our COVID recovery response. The third thing we're doing is seeing what we can do to speed up particularly consenting for Kāinga Ora, for State housing, and we think that will make a difference too.

Media: You know, in this city, bringing on extra land for housing development did actually have an incredible effect on flattening house-price growth, which is something that you mentioned—

PM: Supply.

Media: Exactly, by bringing on extra supply. Do you think that applying that precedent nationally could have a similar effect in cities like Auckland and Wellington, where you're seeing a similar house-price growth to Christchurch immediately after the earthquake?

PM: Yeah, and look, this is our intent with RMA reform: to make it simpler, to make it less costly, but actually to still get—to ensure that we have the environmental protections that a community expects. So we are doing that work and, at the same time, have made already inroads through fast-tracking consenting right now. I'll give you a chance to also speak to Minister Woods on that as well.

Media: National wants to introduce a three-strikes system for what they call anti-social State-housing tenants. Should those tenants be kicked out of State housing?

PM: It is fair to say, of course, that State housing, this is often the last opportunity for housing, and so we have to be mindful of that—that often, you know, we'll be dealing with situations where, for a range of reasons, this is the last housing option for people. At the same time, no one wants a negative effect for those living around an individual where there have been issues, and so our view is that has to be worked through and managed well. One of the things that we lost from the last Government is, often in State housing developments of large scale, we often had support networks within that community. I know a specific development in Auckland that used to have a permanent presence of someone there. That was lost under the last Government. That's the way to deal with those social issues, and that is something that we've been reinstating.

Media: Winston Peters has just announced free dental for 18 to 25s and community card holders. Is that a policy that Labour will adopt?

PM: We've announced our dental policy. We do believe that, for vulnerable New Zealanders in particular, they weren't able to access dental healthcare, and that was causing much longer-term, costly health issues. So we've extended the grant that they're able to access. What we also want to do is improve the access of under 18-year-olds who already can access it for free but aren't.

Media: These 18 to 25s and community card holders—I mean, that would be a preventative approach, wouldn't it? And it doesn't cost that much. So why not adopt that?

PM: I haven't seen the criteria for who—for under what circumstances, of course. But, from what you've described to me, our view is that by extending that grant access—many are only accessing the dentist, of course, when they're triggered by something. That grant access would enable them to get up to \$1,000 worth of dental support. Look, you know, on dental, I think we all want more accessible dental care in New Zealand—we do. But we also have to accept that we've inherited a health system where we have poor cancer care, where we've needed to increase access to drug funding. We have a number of issues with our hospitals. We have had to prioritise. We're making great inroads, but for dental it's been step by step.

Media: Do you have any views or thoughts on the \$8.7 billion fiscal gap that there seems to be in ACT's fiscal plan?

PM: It doesn't strike me that it seems to be there; it strikes me that it is there. Look, when you're campaigning, you can't be cavalier. You know, we are here in the middle of a campaign that will be about our economic recovery, and my pitch to New Zealanders is that we cannot afford to risk changing course right now, particularly when the two Opposition parties in this campaign have \$8 billion holes that they cannot account for. That, to me, says that their economic plans are risky.

Media: With Labour's plan, National has highlighted the lack of full costings for pumped hydro. You've obviously got the business case, but is it right to, sort of, bank the benefits of being 100 percent renewable, which is the Labour policy, without fully accounting for the cost or even an estimate of what it may cost?

PM: Yeah. Look, on the 100 percent renewable, we have had a goal of moving towards 100 percent renewable for some time. We've brought forward that goal. We've said there are a number of means to get there. One has been, potentially, the Onslow project. Others have been smaller hydro projects. We're doing—and, of course, we expect significant technological advancement that will help us reach that goal as well. We are now doing the work on which we'll take us there. I think National know full well what they're claiming here, on what should be accounted for in the meantime, is wrong, because, on their logic, they have a significant hole in their own budget. Just last week, I saw posters advertising their commitment to the second harbour crossing. I see no accounting for that in their budget. OK. Thomas, I'll finish with you, and then I'll check whether or not we've got a—oh, I'm sorry, I haven't scanned over to my right. Then I'll check whether or not there's any questions for the Ministers I have with me. Otherwise, we've also got the stadium announcement.

Media: It would just appear that the 100 percent renewable target would be almost impossible to reach without the Onslow project, and so if the business case comes back and says, look, it's prohibitively expensive, or it actually can't be done, then you would probably have to adjust that [Inaudible]

PM: Nothing that we've done here is unusual. We have absolutely followed the usual accounting protocols for projects. No final decision has been taken. No costing has been undertaken. And so it would be highly unusual to bank a project that, at this stage, has none of that detail attached to it, nor any agreement as to whether or not that will be the project that takes us to that aspiration. So, again, nothing unusual about what we have done in our fiscal plan—totally within the expectations of what Treasury would do. That is

completely counter to what we've seen with National's plan, where there is a legitimate hole that we're yet to see accounted for.

Media: Can I ask one more on housing—

PM: And then I'm going to come over here, if I may, Tova.

Media: Do we, effectively, need to enact safe, emergency-type housing to solve the housing crisis?

PM: You know, you've already seen us move, you know, with pace: doubling transitional housing; rolling out that Housing First for homelessness; looking at, and we already have, fast-tracked RMA consenting that will enable projects to get under way as well; doubling, as I said, transitional housing, and an extra 8,000 public houses. We are treating housing with urgency. Compare that to the National Party, who are proposing that we sell State housing.

Media: What do you make of Judith Collins saying it's craziness to allow people with 1 or 2 percent in the polls to enter Parliament, when National's stood aside in Epsom so that ACT can get in without meeting the 5 percent threshold?

PM: Well, look, I'd have to say, to declare our democracy crazy—which, essentially, that seems to be a commentary around—I'd say is wrong. Look, political parties have the right to campaign. Voters decide whether they meet the threshold to enter Parliament. But, again, this campaign, we haven't done deals; we've just got on with campaigning for Labour, and that's what I'm sticking with.

Media: Do you have a personal view on the [Inaudible]

PM: I think I'm going to—Labour's always had a position on that, and it remains the same. OK, I'll bring up—can I just gauge whether or not there's a desire to have Minister Robertson and Minister Woods? They won't take it personally if you don't. No? OK. We'll leave that to the next announcement. I'll call time now. Thank you.

Media: Spitting Image—Spitting Image, Prime Minister? Ha, ha!

PM: Last question. This is not an example of how I parent, I should say.

Media: Are you familiar with the BBC comedy *Spitting Image*, and the fact that they have relaunched their series and have done a satirical piece on you as Mary Poppins?

PM: Yes. I am familiar with the show. I have seen past pieces on it. Of course, you know, over a number years, I understand, it's been very popular in the UK. And so, yes, I've seen it.

Media: What did you make of it?

PM: Ha, ha! I'm glad that I whipped Neve away from watching it just in time near the end there—yep. I was surprised by the emphasis on the ginger crunch. All right. Thank you, everyone. Did I hear, was there—

Media: Yeah. Minister Woods [Inaudible]

Hon Dr Megan Woods: Thank you.

Media: Just on managed isolation and quarantine, are you aware of the split between who is actually paying for the paid service and who is getting an exemption on that service and what [*Inaudible*]

Hon Dr Megan Woods: In terms of the number of invoices that we've issued?

Media: Yeah.

Hon Dr Megan Woods: Yes, that is something that I am getting reporting on. Of course, none of those invoices are actually at their end due date yet, because there is a 90-day payment period. We have had some payments coming through, and the correct number of invoices has been issued, but it's a 90-day payment period on those.

Media: Are you happy with the number of people who are getting exemptions—compassionate exemptions—on that?

Hon Dr Megan Woods: Look, I mean, there is a clear process that's set up. They're assessed by officials on the merits of the case, and I have no reason to think that they're not being assessed according to each and every individual case. Thank you.

Media: Mr Robertson, do you want to comment on the \$8.7 billion mistaken on—

Hon Grant Robertson: Sorry, this question's especially for Claire.

Media: [Inaudible]

Hon Grant Robertson: Ha, ha! Sorry. So, your question?

Media: The question is: what do you make of ACT's \$8.7 billion fiscal hole?

Hon Grant Robertson: Look, as the Prime Minister has already said, Opposition parties have now got each an \$8 billion hole. They have to be able to put up a credible plan. They've failed to use the right numbers again. There's some very questionable assumptions in here. But what makes it even worse is that what underpins that are cuts in the basic public services that New Zealanders rely on. I mean, if you look at ACT's policy, it's got cuts to the winter energy payment and Working for Families and interest-free loans. And the only pathway that is possible for National is through ACT, and so both National and ACT have to take responsibility not only for the mistakes that they've made but also for the cuts to public services that'd be required.

Media: And you've also highlighted problems with their proposal to cut PGF money. Is that right—that they'd cut money that's already been spent?

Hon Grant Robertson: It's very hard to tell, but they did put in a sum of money within there—I think close to a billion dollars—and, you know, much of the PGF has been allocated, and presumably this is another example to go with Judith Collins' desire to change the law to take the wage subsidy back from people who legitimately used it. That kind of undermining of business confidence, I think, is taken very seriously by the business community.

Media: Do you have a rough idea of where we are in terms of the money that's been taken up from the COVID fund, and do you know how much is to be paid out as opposed to allocated?

Hon Grant Robertson: Yeah, so, obviously, in the PREFU, it took us up to the end of the financial year, and I think we were up to about \$19 billion at that point. Clearly, there's been more since that time as well—I mean, you've got examples of things like PPE, where that money is continually being paid out, and in ACT's numbers that, presumably, would somehow have to be clawed back. That's done on a monthly basis through the accounts, and I'd have to get you the latest numbers, Thomas. I don't have them with me.

Media: Can I just ask you quickly on fast-tracking RMA? Do you think that there's any scope for broadening how that is used, given how slow reform has and continues to be?

Hon Grant Robertson: Well, obviously, we've put it in place now, and we'll see how it goes, having just recently passed that legislation. Ultimately, the thing that we all want is to get the reform done so that we don't have to put stopgap measures in. Through this period of time, David Parker's led some excellent work. The Randerson report has given us a template that we're now committed to implementing, but we'll see how the fast-tracking goes and whether or not there need to be any tweaks or extensions, potentially. But it's only just come in. OK, everyone. Claire, anything from you? No.

conclusion of press conference